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**UNITED STATES BANKRUPTCY COURT**  
**DISTRICT OF NEVADA**

In re:

USA COMMERCIAL MORTGAGE  
COMPANY,

USA CAPITAL REALTY ADVISORS,  
LLC,

USA CAPITAL DIVERSIFIED TRUST  
DEED FUND, LLC,

USA CAPITAL FIRST TRUST DEED  
FUND, LLC,<sup>1</sup>

USA SECURITIES, LLC,<sup>2</sup>  
Debtors.

**Affects:**

- ☐ All Debtors  
☒ USA Commercial Mortgage Company  
☐ USA Capital Realty Advisors, LLC  
☐ USA Capital Diversified Trust Deed Fund, LLC  
☐ USA Capital First Trust Deed Fund, LLC  
☐ USA Securities, LLC

Case No. BK-S-06-10725-LBR  
Case No. BK-S-06-10726-LBR  
Case No. BK-S-06-10727-LBR  
Case No. BK-S-06-10728-LBR<sup>1</sup>  
Case No. BK-S-06-10729-LBR<sup>2</sup>

**CHAPTER 11**

Jointly Administered Under Case No.  
BK-S-06-10725 LBR

**DECLARATION OF EDWARD M.  
BURR IN SUPPORT OF OMNIBUS  
OBJECTIONS TO PROOFS OF  
CLAIM BASED UPON  
INVESTMENT IN OPAQUE/MT.  
EDGE \$7,350,000 LOAN; AND  
CERTIFICATE OF SERVICE**

Date of Hearing: July 24, 2008  
Time of Hearing: 9:30 a.m.

I, Edward M. Burr, hereby declare under penalty of perjury that:

1. I am a principal with Sierra Consulting Group, LLC ("Sierra"). Sierra is one  
of the leading providers of restructuring advisory and litigation support services in the

<sup>1</sup> This bankruptcy case was closed on October 12, 2007.

<sup>2</sup> This bankruptcy case was closed on December 26, 2007.

1 Southwest. Sierra is a leading national consulting firm comprised of experienced CPAs  
2 and other financial professionals.

3 2. I submit this declaration on behalf of the USACM Liquidating Trust's  
4 Objections to Proofs of Claim filed this date.

5 3. This Court approved the Official Committee of Unsecured Creditors of USA  
6 Commercial Mortgage Company's ("Committee") appointment of Sierra as financial  
7 advisers on August 11, 2006. From that date to the Effective Date of the Debtors'  
8 confirmed Plan of Reorganization, I have assisted the Committee in analyzing facts  
9 concerning these jointly administered bankruptcy cases. As of the Effective Date of the  
10 confirmed Plan of Reorganization, Sierra has been retained by the USACM Liquidating  
11 Trust to investigate and reconcile the claims against the USA Commercial Mortgage  
12 Company ("USACM") estate.

13 4. I make the following declaration based upon my personal knowledge, and  
14 upon the records of the Debtors described in this declaration, including Debtors' original  
15 and amended schedules of liabilities and the proofs of claim described herein, as well as  
16 Debtors' accounting records.

17 5. On March 12, 2007 Effective Date of the Plan, the USACM Liquidating  
18 Trust succeeded to USACM's rights with respect to books and records.

19 6. Sierra has been working closely with both the Trustee for the USACM  
20 Liquidating Trust and Development Specialist Inc. ("DSI"), the Trustee's financial  
21 advisor, in evaluating all of the claims that were filed in the USACM estate.

22 7. **Exhibit A**, attached, lists Proofs of Claim that appear to be based, in part,  
23 upon an investment in the Opaque/Mt. Edge \$7,350,000 Loan ("Opaque Loan"). For each  
24 claim listed, **Exhibit A** identifies the Proof of Claim number, the claimant, the claimant's  
25 address, the total amount of the claim and the total amount of the claim that appears to be  
26 related to the Opaque Loan based upon the information provided by the claimant.

1           8.       We are advised by the loan servicer, confirmed by payment records, that on  
2 or about April 27, 2006, the Opaque Loan was paid in full, as reflected in USACM's  
3 books and records. Shortly thereafter, USACM processed the payoff and distributed the  
4 proceeds to the Direct Lenders on the Opaque Loan.

5           9.       The Direct Lenders were paid in full, subject to servicing fees and any other  
6 charges under their respective Loan Servicing Agreements and this Court's orders,  
7 including the Confirmation Order. In general, the Direct Lenders received their principal  
8 and interest on the Opaque Loan, less sums withheld for Prepaid Interest and sums known  
9 as the 2% Holdback. On the Effective Date of the Plan, the Prepaid Interest was applied, a  
10 portion of the 2% Holdback was applied to the allowed claims of the Direct Lender  
11 Committee, and the balance paid to the Direct Lenders.

12           10.      Accordingly, the USACM Trust no longer has further obligations to the  
13 Direct Lenders arising out of the Opaque Loan because, pursuant to USACM's books and  
14 records, the Opaque Loan has been repaid in full, and the Direct Lenders have received  
15 such payment as they were entitled to under the confirmed plan of reorganization.

16           Dated: June 18, 2008

17  
18  
19                               /s/ Edward M. Burr

Edward M. Burr

LEWIS  
AND  
ROCA  
LLP  
LAWYERS

Copy of the foregoing mailed by first class  
Postage prepaid U.S. Mail on  
June 18, 2008 to:

All parties in interest listed on  
Exhibit A attached.

s/ Renee L. Creswell  
Renee L. Creswell